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PSB M-11

MINUTES

Eleventh Meeting of the PSYCHOLOGICAL STRATEGY BOARD March 27, 1952 2:30 P. M. Director's Conference Room Administration Building Central Intelligence Agency

MEMBERS:

Honorable William C. Foster, Deputy Secretary of Defense, Presiding Honorable Allen W. Dulles, Deputy Director, Central Intelligence Agency, for the Director Honorable Howland H. Sargeant, Assistant Secretary of State, for the Under Secretary of State Dr. Raymond B. Allen, Director, Psychological Strategy Board

OTHER PARTICIPANTS:

Department of State Mr. Joseph B. Phillips Department of Defense Mr. Townsend W. Hoopes

Central Intelligence Agency

Mr. Frank Wisner, Assistant Director

Joint Chiers of Staff

Brigadier General Jesmond D. Balmer

Psychological Strategy Board

Mr. C. Tracy Barnes, Deputy Director

Mr. Charles E. Johnson, Executive Officer

Major Edmund J. Bennett, Deputy Executive Officer

Captain Richard N. Antrim, USN

Mr. Arthur Macy Cox

Col. Paul Davis, USA

Mr. William Godel

Mr. John MacDonald

Mr. John Sherman

Mr. Edmond L. Taylor

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PSB M-11

The Minutes of the Tenth Meeting, February 21, 1952 were approved.

At the suggestion of Dr. Allen, the Board directed Dr. Allen to write letters of appreciation to Col. Charles W. McCarthy, retiring Executive Officer of the Board and to the Department of Defense concerning Col. McCarthy.

Agenda Item No. 1 - Staff Study on Psychological Strategy Planning for the Middle East

Action:

Staff study recommendations approved. A task panel shall be created whose first act shall be the drafting of its terms of reference for submission to the Board at its next meeting. The Board requested short-range actions also be considered in the planning.

Discussion:

Col. Paul Davis of the PSB staff presented a briefing on the background of the Middle Eastern problem.

Mr. Sargeant proposed that the recommendations in the staff study for a psychological strategy plan be approved. Mr. Sargeant further recommended that the task panel to be created should draw up its terms of reference and submit them to the Board for approval at the next Board meeting. Mr. Dulles, Mr. Foster and General Balmer, in approving Mr. Sargeant's recommendations, requested that appropriate attention be given, in addition to long-range plans, to the immediate, short-range problems in the area.

Mr. Sargeant reported that the Department of State had a paper, in advance draft form, dealing with the objectives, the tasks, the needs and operating procedures for overt propaganda in the Middle East. He offered to send this over to the PSB staff. Dr. Allen said he would be happy to have it.

Agenda Item No. 2 - Staff Study on Psychological Strategy Planning Tasks with Regard to South East Asia

Action:

Approved. A task panel shall be created whose first act shall be the drafting of its terms of reference for submission to the Board at its next meeting. The Board considers this plan a matter of high priority.

Discussion:

Captain Richard Antrim, USN, presented a briefing on the factors confronting us in South East Asia. He emphasized the need for expeditious planning action in view of the rapidly deteriorating and potentially volatile situation there. The Board, at Mr. Sargeant's suggestion, approved the same approach for organizing the task panel and drafting and approving terms of reference as for

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Page 2 of 5 Pages

PSB M-11

the Middle East Plan above. The Board also concurred in the need for planning on an urgent basis.

Agenda Item No. 3 - Progress Reports on Current Work

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Soviet Orbit Escapee Program 2.

Action:

The Board agreed to send a letter of comment to the Budget Bureau opposing the inclusion of Title II in the DPC draft bill "Special Migration Ast of 1952". The majority of the Board and the Director agreed that the letter to the Budget Bureau recommend that the Kersten Amendment be changed to avoid any ambiguity as to its defensive military purposes. However, if in the judgment of the Congressional leaders, this change might lead to legislative difficulties, the Amendment should remain unchanged.

The Defense and CIA members and the Director agreed that the letter to the Bureau should state that, in any event, adequate legislation apart from the Kersten Amendment covering the nonmilitary aspects of the program is desirable so that there is no question as to the intent of Congress that these programs are authorized. Language for this purpose was approved.

Mr. Sargeant wished to have the letter indicate the State Department's view that the Kersten Amendment should remain unchanged and that additional language is not required.

Discussion:

Mr. Arthur Cox reported the need for a Board position on the DPC draft bill "Special Migration Act of 1952" in response to a request for comment by Friday, March 28 from the Bureau of the Budget. Mr. Cox reviewed the possible alternative positions the Board could take as follows:

> (1) Provide legislative history through the Committee Reports, indicating that the clear intent of Congress is that funds derived from the authority of the Kersten Amendment be expended to finance the Phase A program and nonmilitary aspects of the Phase B program during the next 68733

TOP SECRET - SECURITY INFORMATION

PSB M-11

- (2) Provide new language in a separate section of the Mutual Security Act to authorize Phase A and non-military aspects of Phase B programs.
- (3) Authorize the carrying out of these programs under Title II of the proposed Bureau of the Budget bill with funds to be appropriated therefor.

He stated that the PSB staff had recommended alternative (2) above to the Director.

The Board members agreed with Mr. Dulles' suggestion that the views of Congressional leaders should be ascertained as to whether the language of the Kersten Amendment should continue to be used next year. However, it was the concensus that, in view of the President's desire to send up a bill shortly, the Board would have to indicate its position to the Bureau of the Budget before talking with Congressional leaders.

Mr. Foster reported the Department of Defense had mixed feelings on the Kersten Amendment. He noted that whatever funds are used for the escapee program reduces the amount which can be used for military end items. Therefore, he suggested new language be recommended to (a) clarify the proposal to provide for a program which, in Defense's opinion, is not contemplated in their interpretation of the Kersten Amendment and (b) to provide funds for such a program. Mr. Foster said that Defense went along on the use of the \$4.3 million on the basis that it would lead later to a broader utilization of funds for the buildup of military units. He made clear, however, that Defense would oppose the use of funds from this source in the future for any non-military purposes.

Mr. Sargeant said that State would like to see Title II of the DPC draft bill omitted and would prefer to leave the Kersten Amendment unchanged.

Mr. Dulles reported that the House Committee members with whom he had talked were looking to the Executive Branch for suggestions for alternative language for the Kersten Amendment. He noted that all three members of the Psychological Strategy Board had been asked by the Bureau of the Budget to comment separately on the DPC bill and urged that each take consistent positions.

Mr. Foster and Mr. Sargeant both observed that any effort to revise the language of the Kersten Amendment directly might cause difficulties with the Congress. Mr. Sargeant, however, said the Department of State did not favor proposing any additional language in the MSA Act to clarify the Kersten Amendment. General Balmer stated his belief that the Kersten Amendment was not intended to be used for resettlement purposes and therefore some new language is necessary to provide for any new program envisaged. He also noted that funds used for the escapee program would reduce these available for military end items.

Mr. Godel remarked that any failure to continue Phase "A" of the program would probably result in failure of Phase "B" to get underway, too.

68733

PSB M-11

- 3. General Balmer reported that JCS had just approved two papers:
 - (a) The Responsibility of the Services and the JCS with respect to Covert Operations and
 - (b) The Responsibility of the Services and the JCS for Guerrilla Warfare